

## **Brazil Hospitality Group (BHG) starts partnership with AccorHotels**

Brazil Hospitality Group (BHG) announces today the beginning of its partnership with AccorHotels, which will manage 17 of BHG's owned hotels. AccorHotels also acquired LEBSPE Ltda from BHG, a company that manages The Capital São Paulo Itaim and Grand Plaza São Paulo Jardins hotels, in São Paulo; Soft Inn São Luis, in Maranhão; and Presidente Uberlândia Hotel, in Minas Gerais.

BHG, the largest owner of hotel assets in Brazil, with more than R\$ 1.2 billion in properties, will invest approximately R\$ 300 million, in the next four years, in the renovation and repositioning of the 17 hotels that will progressively receive the flags of AccorHotels. BHG has also started a total renovation and repositioning of Marina Palace Leblon, in Rio de Janeiro which is not part of the Accor transaction.

The renovation projects will be designed by renowned architects. BHG is excited to add to its real estate portfolio the first MGallery by Sofitel in the luxury category in Brazil, the first Mama Shelter in São Paulo in the lifestyle segment, the first Pullman in Rio de Janeiro, as well as properties branded Grand Mercure, Mercure, Novotel, ibis and ibis Styles.

In parallel to this partnership, BHG continues its expansion in hotel management, with the opening of the Soft Inn Maceió as early as January 2018, which will join the other 16 hotels operating under the Royal Tulip, Golden Tulip, Tulip Inn and Soft Inn.

For Alexandre Solleiro, CEO of BHG, "this partnership gives BHG more flexibility to reposition its hotel real estate portfolio, establishing itself as the largest owner of hotel assets in Brazil. The company also continues its strategy of expansion as an operator, with the opening of the Soft Inn Maceió in January, and in the realization of the various pipeline projects".

"We are extremely excited to take this important step in executing our vision of making BHG the pre-eminent multi-brand owner and operator in Brazil. We believe combining a comprehensive capital improvement plan with Accor's iconic brands and global distribution will create substantial shareholder value", said Josh Pristaw, Vice Chairman of BHG and Senior Managing Director, head of capital markets and co-head of Brazil for GTIS Partners, one of the controlling shareholders of BHG.

Rubens Freitas, Chairman of BHG and Managing Director of GP Investments, added that "precisely now when the Brazilian hospitality market is soft, we will carry on a major renovation program in mostly all of our hotels, so that by 2020 BHG will emerge in a recovering market with a markedly superior hotel portfolio in the country."

## **ABOUT BHG**

BHG is the largest owner of hotel real estate assets in Brazil, with over R\$ 1.2 billion invested in 25 luxury, midscale and economic hotels in prime locations in the country's main destinations. The company is also one of the leading hotel operators, managing approximately 3.900 rooms in 17 hotels under the Royal Tulip, Golden Tulip, Tulip Inn and Soft Inn brands, focused on modernizing its concepts and products, implementing the most advanced methods and technology management and distribution, as well as the evolution of the service and welcome to all who travel for leisure or for business. Headquartered in Brazil, BHG is committed to developing the sector in the country and looking for business opportunities.

## **ABOUT GTIS**

GTIS Partners is a global real estate investment firm headquartered in New York with offices in Los Angeles, San Francisco, Atlanta, São Paulo, Brazil, Paris, France and Munich, Germany. GTIS Partners was founded in 2005 and is managed by President Tom Shapiro and Senior Managing Directors Josh Pristaw, Rob Vahradian, Tom Feldstein and Joao Teixeira. GTIS Partners has 86 employees and approximately \$5.0 billion of gross real estate assets under management. The firm pursues opportunistic real estate investments through direct equity investment and non-traditional lending activities. To date, the firm has committed capital to residential, retail, industrial, office, hotel and mixed-use projects in the U.S. and Brazil, and is among the largest real estate private equity companies in Brazil. For more information, please visit [www.gtispartners.com](http://www.gtispartners.com):

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